

INTRODUCTION

The Annual Operating Statement and Working Budget provides financial information regarding actual and anticipated revenue (income) and actual and anticipated expenses. Actual revenue and expenses reflect the revenue received and costs incurred for the most recent year of facility operations. Anticipated revenue and expenses reflect the expected revenue and expenses for the next year of operations and as such constitute the working budget for the facility. This form is of primary importance in providing selected information for use in determining financial responsibility as required by Minimum Standards for Licensed Family Day Systems. The instructions for completing the form that follow describe the information to be recorded for each item.

INSTRUCTIONS FOR COMPLETING THE FORM

ACTUAL AND ANTICIPATED REVENUE (Income) – This section should reflect the actual and anticipated annual income from all sources to the facility. It should not include personal income of the applicant(s) unless this income was or is to be used for operating the facility. Anticipated amounts shown should be as accurate as possible and supported by confirming documentation to the maximum extent feasible. Actual amounts should be supported by confirming documentation.

1. *Fees for Children in Care* – The actual and anticipated revenue that was or will be received each year as fees or payments for care should be entered here. Anticipated values should be based on the rate per child to be charged by the Family Day Care System and the number of children that will actually be in care during the next year of operation. This may be estimated to be less than the licensed capacity that is being requested on the application and, if so, should be used rather than licensed capacity in determining the anticipated revenue to be received.
2. *Fees from Other Clients and Services* – The actual and anticipated revenue that was and will be received each year from fees or payments for care or services provided to children other than those in day care.
3. *Federal Funds* – The revenue, if any, that was and will be received each year from federal agencies. Do not include revenue already listed as part of “Fees for Children in Care.”
4. *State Funds* – The revenue, if any, that was and will be received each year from state agencies. Do not include revenue already listed as part of “Fees for Children in Care.”
5. *Local Funds* – The revenue, if any, that was and will be received each year from localities. Do not include revenue already listed as part of “Fees for Children in Care.”
6. *Income from Investments* – Annual income to support facility operations that was and will be provided by any existing investments should be entered.
4. *Endowment/Trust Fund(s)* – Enter revenue that was or is to be received for the entire year from any endowments or trust funds that currently exist and provided or would provide income to be used to support facility operations.
5. *Contributions/Solicitations* – Enter income received or expected to be received from sources such as United Fund, religious or fraternal organizations, fund drives and solicitations, or any other fundraising activity when used to support facility operations.

ACTUAL AND ANTICIPATED REVENUE (Income) - continued

6. USDA Food Funds – Enter funds, if any, received from USDA for use in purchasing food for children in care in member homes of the System. Show such expenditures under Item 3 i (Food) below when disbursed to member homes.

7. Other (SPECIFY) – Enter the annual amount of income received or expected to be received from any other source(s) that will be used to operate the facility. Specify each source and the amount.

ACTUAL AND ANTICIPATED EXPENSES – This includes actual and anticipated annual expenses of all types necessary to System operations. It is the total of all expense items shown below. Three (3) major categories of anticipated expenses are shown. The explanations of the sub-headings are intended to assist the applicant in understanding the number and types of financial considerations that may be involved in a Family Day System, and to assist the Department in evaluating the System's application for licensure.

1. Administration:

- a. Office Supplies and Equipment – Include the actual and expected annual cost of expendable and non-expendable items used for administrative purposes. Examples: pens, pencils, paper, typewriters, filing cabinets, desks, chairs, etc
- b. Depreciation: Buildings: Enter the total annual amount and estimate of depreciation on all buildings owned and utilized by the System to support the administration of the System (e.g., buildings that house administrative offices, etc.)
- c. Depreciation: Equipment: Enter the total annual amount and estimate of depreciation on all capital equipment owned and used in support of administrative operations (e.g., desks, chairs, typewriters, etc. used in administrative offices).
- d. Insurance –
 - (1) Fire and Liability (Premises & Operations): Enter the total annual cost of fire and liability insurance paid by the System.
 - (2) Liability (Vehicles): Enter the total annual cost of liability insurance covering all of the vehicles used in support of the System's operations.
- e. Interest – Enter the total amount of interests payments paid during the past year and due within the next year on outstanding loans or other debts.
- d. Taxes – Enter the annual amount of taxes that were paid last year and must be paid this year by the System. This would include VEC taxes, Federal unemployment taxes paid on employees' salaries and wages, as well as (if applicable) business license taxes, property taxes, and real estate taxes (if not included as part of the mortgage payment under Item 3, b below). NOTE: The employer's FICA (Social Security) taxes should be shown under Item 2, b below. Specify each tax on a separate line under the entry taxes.

ACTUAL AND ANTICIPATED EXPENSES - continued2. Salaries, Wages, and Benefits:

- a. Salaries and Wages – Include all salaries and wages paid during the last year and must be paid this year by the System to its employees; and, if the System is a corporation or association, to its Board of Directors for salaries or expenses, if applicable. Also, include salaries/wages of the System owner, director, or chief administrative officer; trainers, social workers and other professional level staff persons; secretaries, clerks and assistants; maintenance workers; and groundskeepers, janitors and any others who are regular employees of the System.
- b. FICA– Enter the total annual FICA (Social Security) tax to be paid by the System for all employees.
- c. Health Care Insurance: Enter the total amount of annual premiums paid by the System for health care insurance for employees when the cost of all or part of such insurance is provided by the System.
- d. Group Life Insurance: Enter the total amount of annual premiums paid by the System for group life insurance for employees when the cost of all or part of such insurance is provided by the System.
- e. Employer Retirement Contribution: Enter the total annual contribution made by the System to the retirement fund(s) of employees.
- f. Other Benefits (Specify): Enter on an item by item basis, the cost(s) of any additional benefits provided by the System to employees, e.g. workman's compensation.

3. Operations:

- a. Payments to Member Homes – Enter the total amount paid during the last year and to be paid next year to member homes as fees or wages for child care. Payments for other purposes may be included, but should be specified. USDA Food payment should NOT be shown here, but rather under "Food" below.
- b. Rent or Mortgage Payments – Show any payments of this type for buildings/property of the system (e.g., office building, warehouse); amount shown should be the total annual expense.
- c. Utilities – Show the total of payments made or to be made by the System for electricity, water, fuel oil, gas (for heating), sewage and refuse services, telephone and similar services.
- d. Maintenance and Repairs – The entry should reflect the annual cost of all items used to maintain and carry out necessary repairs on the facility. This would include such items as paint, lumber, nails, roofing, material, grass seed, etc.
- e. Equipment and Supplies – Enter the total actual and projected annual cost of equipment, that is not to be depreciated, and expendable supplies that were and will be used to support the System's operations in areas other than the administrative offices. Equipment rental costs, if any, should be included here.
- f. Depreciation: Buildings: Enter the total actual costs and annual estimate of depreciation on all buildings owned and utilized by the System to support operations other than administration.

ACTUAL AND ANTICIPATED EXPENSES - continued

- g. Depreciation: Equipment: Enter the total actual costs and annual estimate of depreciation on all capital equipment owned and used in support of operations other than administration.
- h. Motor Vehicle: Include here all expenses related to the maintenance and operation of cars, vans, trucks, etc., owned by the System and used in support of the operation of the facility.
- i. Food – Any expenses incurred by the System in executing the USDA Food Program or in providing food by any other means for children in care in member homes should be entered here.
- j. Staff Travel – Enter the actual travel expenses for last year and projected travel expenses for staff that will be incurred in support of System operations and the program offered by the System. This includes transportation costs, the cost for food and the cost of lodging if overnight travel is required.
- k. Staff Training – Enter the actual and projected annual costs of formal training for System staff that will be paid for or reimbursed by the facility.
- l. Contractual Services: Enter the actual and projected annual costs for any services provided to the System under contract to support the program offered or System operations. List each contractual service separately.
- m. License Fees: Enter the actual fees paid last year and total projected annual fee(s), if any, that must be paid by the facility for any license(s) required.
- n. Other (SPECIFY) – Include the annual cost of any other types of expenses not included in other items. Specify each item of expense included here and the expense amount.

DATE: _____

NAME OF FAMILY DAY SYSTEM: _____

REVENUE (ACTUAL & ANTICIPATED):

	<u>Actual This Year</u>	<u>Anticipated Next Year</u>
	Date: ____ to ____	Date: ____ to ____
1. Fees for children in care	\$ _____	\$ _____
2. Fees from other clients and services	_____	_____
3. Federal Funds	_____	_____
4. State Funds	_____	_____
5. Local Funds	_____	_____
6. Income from investments	_____	_____
7. Endowments/Trust fund(s)	_____	_____
8. Contributions/solicitations	_____	_____
9. USDA food funds	_____	_____
10. Other (<i>Specify</i>)	_____	_____
TOTAL REVENUE		\$ _____ \$ _____

EXPENSES (ACTUAL & ANTICIPATED)

	<u>Actual This Year</u>	<u>Anticipated Next Year</u>
	Date: ____ to ____	Date: ____ to ____
1. ADMINISTRATION:		
a. Office supplies and equipment	\$ _____	\$ _____
b. Depreciation: Building	_____	_____
c. Depreciation: Equipment	_____	_____
d. Insurance		
(1) Fire and Liability	_____	_____
(Premises & Operations)		
(2) Liability (Vehicles)	_____	_____
e. Interest	_____	_____
f. Taxes (<i>Specify By Type</i>)	_____	_____
TOTAL ADMINISTRATIVE EXPENSE		\$ _____ \$ _____

EXPENSES (ACTUAL & ANTICIPATED): (continued)

	<u>Actual This Year</u>	<u>Anticipated Next Year</u>
	Date: ____ to ____	Date: ____ to ____
2. SALARIES, WAGES & BENEFITS:		
a. Salaries & Wages	\$ _____	\$ _____
b. FICA	_____	_____
c. Health Care Insurance (Employees)	_____	_____
d. Group Life Insurance (Employees)	_____	_____
e. Employer Retirement Contribution	_____	_____
f. Other Benefits (<i>Specify</i>)	_____	_____
TOTAL SALARIES, WAGES & BENEFITS EXPENSE:	\$ _____	\$ _____
3. OPERATIONS		
a. Payments to Member Homes	\$ _____	\$ _____
b. Rent/Mortgage Payments	_____	_____
c. Utilities	_____	_____
d. Maintenance & Repairs	_____	_____
e. Equipment & Supplies	_____	_____
f. Depreciation: Buildings	_____	_____
g. Depreciation: Equipment	_____	_____
h. Motor Vehicle	_____	_____
i. Food	_____	_____
j. Staff Travel	_____	_____
k. Staff Training	_____	_____
l. Contractual Services (<i>Specify</i>)	_____	_____
	_____	_____
	_____	_____
	_____	_____
m. License Fee	_____	_____
n. Other (<i>Specify</i>)	_____	_____
TOTAL OPERATIONS EXPENSE:	\$ _____	\$ _____
TOTAL EXPENSE:		\$ _____
AVERAGE NUMBER OF CHILDREN IN CARE THIS YEAR	_____	
ANTICIPATED NUMBER OF CHILDREN IN CARE NEXT YEAR	_____	